

**Governor's Rural Affairs Council
Meeting Minutes
September 24, 2015
Emerson Building, 2nd Floor
Illinois State Fair Grounds
Springfield, Illinois**

1. The meeting was called to order by Lt. Governor Evelyn Sanguinetti at 11:00 a.m.

2. Roll Call

Member Agencies Present

Illinois Department on Aging, Burt Weber
Illinois Department of Agriculture, Rebecca Clark
Illinois Department of Commerce and Economic Opportunity, Marty Johnson
Illinois Department of Natural Resources, Steve Ettinger
Illinois Department of Employment Security, Alicia Harris
Illinois Department of Transportation, Rich Brauer
Illinois Environmental Protection Agency, Richard Breckenridge
Illinois Community College Board, Jana Ferguson
Illinois Housing Development Authority, Jennifer Chan
Southern Illinois University, Joshua Sarver
Illinois Institute for Rural Affairs, Christopher Merrett^{*}
Illinois Finance Authority, Patrick Evans
Rural Partners, Christopher Merrett^{*}

Not Present: Illinois Department of Human Services, Illinois Department of Public Health, Illinois State Board of Education, University of Illinois Extension, Illinois Agricultural Association (Illinois Farm Bureau)

Nonvoting Members Present

Norman Walzer, NIU
Colleen Callahan, USDA

Citizen Members Present

Heather Hampton-Knodle
Luke Allen
Doug Hanks
Todd Kaeb
Sonia Reece
Larry Richards

Lt. Governor's Office: Susan Bence, Brian Costin, Brian Colgan, Kaitlin Kinser, Ennedy Rivera

^{*} Representing both organizations

3. Approval of Minutes of the June 25, 2015, Governor's Rural Affairs Council meeting.

A motion to approve the minutes was made by Norman Walzer/Seconded by Burt Weber/Motion Carried

Lt. Governor Sanguinetti welcomed the council members and stated that she has been touring the state and learning about rural issues. Among the places she's visited were Thrushwood Farms in Galesburg and Illini Community Hospital in Pittsfield. She is planning to visit all 102 counties. The Lt. Governor also mentioned that she enjoyed attending the Illinois State Fair in Springfield, the DuQuoin State Fair, and the Farm Progress Show where she met with the state directors of agriculture from four states.

Lt. Governor Sanguinetti thanked Luke Sailer of the Illinois Department of Agriculture for hosting the Governor's Rural Affairs Council at the Illinois State Fair Grounds.

4. Introduction of Citizen Members

Lt. Governor Sanguinetti welcomed the Citizen Members of the Governor's Rural Affairs Council and asked them to introduce themselves.

Heather Hampton-Knodle is the past president of Illinois Agri Women and is currently chairman of the Montgomery County Board Economic Development Committee. She stated that the issues that she is primarily interested in are broadband access and workforce development.

Luke Allen is the Program Advisor for the FCAE (Facilitating Coordination in Agriculture Education) program. He has been working for the program for 10 years.

Doug Hanks is the owner of Thrushwood Farms in Galesburg. Mr. Hanks is the second generation of his family owning his business which has been producing and packaging food since 1978. The issue that he is primarily interested in is workforce preparation.

Todd Kaeb is principle partner in KSi Conveyors, Inc. and holds five patents for farm equipment. The issues he is passionate about are business development, job creation and disadvantaged children.

Sonia Reece has been involved in health care for 42 years and is a strong proponent for rural health care. She has also served on the Normal City Council for 24 years.

Larry Richards is the chairman of the Pope County Board and brings many years of experience in advocating for his rural community to the Council.

Lt. Governor Sanguinetti asked the members representing agencies to introduce themselves.

Jana Ferguson, Illinois Community College Board. Ms. Ferguson reported that ICCB recently published a report on online education with showed that rural communities were benefitting from technology and that more students are taking advantage of the opportunities available from online education.

Colleen Callahan, State Director, USDA. Director Callahan reported that the USDA administers 43 loans and grants that are available to rural areas for business development, housing, economic development, infrastructure, and broadband access. USDA is also working with the University of Illinois Extension on the SET (Stronger Economies Together) program, an initiative to encourage regional coordination of economic development efforts.

Norman Walzer, Northern Illinois University. Dr. Walzer reported that he has been working on research on entrepreneurship, health care, and government structure.

Burt Weber, Illinois Department on Aging. Mr. Weber stated that his agencies coordinates the 13 areas agencies on aging that provide a variety of services to the elder. He added that improving the delivery of services to rural residents was his priority.

Jennifer Chan, Illinois Housing Development Authority. Ms. Chan reported that IHDA works to ensure a more equitable distribution of resource to rural areas. Her agencies administers several grant and loan programs to encourage the building of affordable and accessible housing throughout the state.

Richard Breckenridge, Illinois Environmental Protection Agency. Mr. Breckenridge is the Agriculture and Rural Policy Director for the agency. He is interested in working with the smallest counties in Illinois and works on a variety of issues including agriculture, water and air quality, waste water, and environmentally friendly agricultural practices.

Alicia Harris, Illinois Employment Security Agency. Ms. Harris is the Central Region manager. Her agency focuses on employment services and getting people back to work.

Rebecca Clark, Illinois Department of Agriculture. The Department is a regulatory agency and works to ensure that the food produced in Illinois is safe. At the same time, the department partners with consumers, farmers, and stakeholders to improve agriculture in Illinois.

Christopher Merrett, Illinois Institute for Rural Affairs at Western Illinois University. Dr. Merrett commented that rural communities were a vital part of the fabric of Illinois and the Institute works to improve life in those communities through a variety of programs. He stated that it is important that communities change their thinking from a needs based to an asset based approach to development. Dr. Merrett also announced that the Institute and WIU will begin offering a Master of Arts degree in Community and Economic Development in fall 2016.

Marty Johnson, Illinois Department of Commerce and Economic Opportunity. Ms. Johnson stated that business development is the prime focus of the Department but DCEO is also working on a variety of issues including workforce development, tourism, film, trade and investment, small business development, and rural economic development.

Steve Ettinger, Illinois Department of Natural Resources. Mr. Ettinger stated that his Department regulates the recreational facilities in Illinois including the mines and minerals, dams, and state parks. He stated that the Department was eager to encourage people to visit state parks since these parks had a positive impact on the economies of nearby communities.

Patrick Evans, Illinois Finance Authority. Mr. Evans stated that his agency provides financing for health, safety, water and manufacturing projects. IFA does not directly loan money but provides financial instruments to financial institutions. IFA also partners with USDA to provide loans to businesses that are too small or too unique to qualify for financing from a bank.

Joshua Sarver, Southern Illinois University School of Medicine. Mr. Sarver reported that the SIU School of Medicine is working in southern and central Illinois to improve the health of residents through services, research, and education.

Rich Brauer, Illinois Department of Transportation. Mr. Brauer reported that local roads are important to agriculture and that he plans to advocate for local roads on the Council.

Lt. Governor Sanguinetti reported that the Governor's Rural Affairs Council has an important anniversary coming up. It's been 30 years since the Council was founded in 1986. Her office is discussing ways to celebrate this milestone.

5. Presentations

a. 2015 Rural Affairs Annual Report to the Governor and General Assembly – Christopher Merrett, Illinois Institute for Rural Affairs at Western Illinois University

Dr. Merrett reported that the purpose of the Governor's Rural Affairs Council to develop and implement strategies for improving delivery of State services to rural Illinois and to expand opportunities and enhance the quality of life for rural residents. The Lt. Governor, as Chair of the Governor's Rural Affairs Council, and the Illinois Institute for Rural Affairs at Western Illinois University issue an Annual Report to the Governor and the General Assembly in accordance with Executive Order 4 of May 18, 2011, and Executive Order 13 of October 11, 1991.

The format of the Annual Report varies from year to year and in the past the report has contained a discussion of the result of surveys of GRAC members and case studies of member projects. The 2015 Annual Report is a discussion of

conditions in rural Illinois including population, employment, wages and income, and unemployment. The report continues with a discussion of activities of the GRAC during the year and the Council's priorities for the future.

Highlights from the report include the following:

- Metropolitan areas are growing in Illinois. Currently 66 of 102 Illinois counties are classified as non-metro counties by the Office of Management and Budget compared to 76 counties in 1990.
- There are 1,679,801 people living in non-metro Illinois. This is more than the population of 12 entire states.
- Since 2000, the rural population declined by 3.4% while the population of urban counties increased by 4.9%.
- Reasons for rural population decline include youth outmigration, farm consolidation, and better employment opportunities in metro areas.
- 31% of rural Illinois counties had their population peak over 100 years ago. The challenge for rural stakeholders is to improve communities in the face of long-term population decline.
- Employment in rural areas is more diverse than most people think. Twenty-five percent of workers are employed in education, healthcare, and social services. Twenty-one percent of workers are employed in transportation, warehousing, and utilities. Fourteen percent are employed in manufacturing and 12% in retail trade. Four percent are employed in agriculture, mining, fishing, and hunting.
- There is a rural-urban wage gap and it has increased from \$12,990 in 1990 to \$16,462 by 2013. Southern Illinois has the lowest median household income with some counties have incomes below \$27,000 per year. In general, the more rural the county, the lower the median household income.

The report also discussed several GRAC projects including the 2014 EMS Summit, the Lt. Governor's support for SB096 which consolidates 911 districts and creates a state-level coordinator, and the Homegrown by Heroes program which promotes ag products grown by military veterans.

The Report concluded with the GRAC's priorities for the future.

- Economic Development
- Rural Education
- Medical Transportation and EMS
- Rural Veterans and Ag Entrepreneurship
- Improving Local Capacity in Rural Places

b. Illinois Nutrient Loss Reduction Strategy – Richard Breckenridge, Illinois EPA

Mr. Breckenridge reported on a joint project of the Illinois Department of Agriculture and the Illinois Environmental Protection Agency. The Nutrient Loss

Reduction Strategy is designed to address local water quality and hypoxia in the Gulf of Mexico. The plan was developed by a policy group made up of 200 various stakeholders including waste water treatment representatives, environmental advocates, agricultural organizations, state and federal representatives, and University of Illinois researchers. This group met monthly over a 12-month period and developed the following goals: 15% Nitrate-nitrogen reduction by 2025, 25% phosphorus reduction by 2005 and a 45% reduction in the annual loading of nitrate-nitrogen and phosphorus compared baseline conditions.

There are currently several programs that promote and fund conservation programs that prevent nutrient loss. Illinois agriculture is leading efforts to fund research, outreach, and on-farm demonstration of effective practices. These efforts include the Nutrient Research and Education Council, the Keep It for the Crop program, and the Cover Crop Training Initiative. Future goals include widespread implementation of effective nutrient loss reduction practices in which farmers voluntarily select and apply the most appropriate and beneficial practices.

c. Stimulating Healthy and Resilient Communities in Illinois – Norman Walzer, Northern Illinois University.

Dr. Walzer reported on research he is conducting on the economic importance of rural hospitals. He stated that health care is the first or second largest employer in 15.5% of Illinois' rural counties and these jobs pay good wages – on average \$56,906 per year. He explained what made a healthy community – one that is safe, economically secure, and environmentally sound. He highlighted three health care systems that were doing a good job in promoting health and enhancing the economic vitality of their communities.

Dr. Walzer stated that these trends provided several opportunities for the Council include increasing the visibility of the Healthy Communities Approach, stimulating collaboration among state agencies around the health care issue, creating a focus within the Council on healthy communities to promote efficiency in service delivery, and providing tools to local agencies to implement programs.

6. Member Updates

Jennifer Chan, Illinois Housing Authority. Ms. Chan reported that IDHA's housing report has been published in draft form. IDHA remains committed to promoting rural home ownership.

Marty Johnson, Illinois Department of Commerce and Economic Opportunity. Ms. Johnson reported that one third of the Enterprise Zones awarded went to rural communities. Another round of applications will open on October 1 for 12 additional zones.

Christopher Merrett, Illinois Institute for Rural Affairs. Dr. Merrett reported that IIRA's mission includes the improvement of local capacity, including that of local community and economic development practitioners. IIRA will begin offering a Master's degree in Community and Economic Development in the fall of 2016. This degree is designed for working professionals and will allow them to earn professional credentials and enhance their knowledge of their profession.

Heather Hampton-Knodle asked if the GRAC would function as a work group. Lt. Governor Sanguinetti agreed that this was a good idea and reported that her office will look into the ideas of working groups in the future.

Lt. Governor Sanguinetti asked the group to reach out to Susan Bence if they have items for future agendas.

7. New Business

Lt. Governor Sanguinetti announced that the next meeting of the Governor's Rural Affairs Council will be held on December 4, 2015.

There was no other new business

8. Public Comment

There was no public comment.

9. Adjournment

Lt. Governor Sanguinetti thanked the group for its attendance. A motion to adjourn was made by Sonia Reece and seconded by Doug Hanks. The motion carried. The Governor's Rural Affairs Council adjourned at 1:00 p.m.

Respectfully submitted: Karen Poncin, Illinois Institute for Rural Affairs